

## OIL GAS AND MINERAL LEASE

THIS AGREEMENT is made between **Pioneer Oil Company, LTD, a Texas limited partnership (successor by conversion from Pioneer Oil Company, a Texas corporation)**, as Lessor (whether one or more), whose address is: 4424 Overton Crest, Fort Worth, Texas 76109, and **Spindletop Oil & Gas Co.**, as Lessee, whose address is One Spindletop Centre, 12850 Spurling Rd., Suite 200, Dallas, Texas 75230. The latest date upon which any signature of any undersigned party is acknowledged, as shown in any notary acknowledgement set forth below or attached hereto, is hereinafter referred to as the "Effective Date". WITNESSETH:

1. Lessor, in consideration of Ten Dollars (\$10.00) and other valuable considerations, receipt of which is hereby acknowledged, and of the covenants and agreements of Lessee hereinafter contained, does hereby grant, lease and let unto Lessee the land covered hereby for the purposes and with the exclusive right of exploring, drilling, mining and operating for, producing and owning oil, gas, sulphur and all other minerals (whether or not similar to those mentioned), together with the right to make surveys on said land, lay pipe lines, establish and utilize facilities for surface or subsurface disposal of salt water, construct roads and bridges, dig canals, build tanks, power stations, power lines, telephone lines, employee houses, and other structures on said land, necessary or useful in Lessee's operations in exploring, drilling for, producing, treating, storing, and transporting minerals produced from the land covered hereby or any other land adjacent thereto. The land covered hereby, herein called "said land", is located in the County of LEON, State of TEXAS, and is described as follows:

**0.515 acres of land, more or less, situated in the T.C. Hawpe Survey, A-701 Leon County, Texas; said land being described in that certain deed dated, 9/20/1978 from Pioneer Oil Company to the State of Texas, and being recorded in Volume 6580, Page 313 of the Deed Records of Tarrant County, Texas.**

This lease also covers and includes, in addition to that above described, all land, if any, contiguous or adjacent to or adjoining the land above described and (a) owned or claimed by the Lessor by limitation, prescription, possession, reversion or unrecorded instrument or (b) as to which Lessor has a preference right of acquisition or (c) owned or claimed by Lessor under any adjacent streets, roads, alleyways, railroad rights of way, easements, or other small strips or pieces of land contiguous to the land specifically described in this lease, but for which a specific description is omitted, it being intended that all interests which are owned by Lessor under the strip and gore doctrine under small pieces or strips of land adjacent or contiguous to the specifically described land above, shall be included as a part of said land included under this lease. Lessor agrees to execute any supplemental instrument requested by Lessee for a more complete or accurate description of said land. For the purpose of determining the amount of any bonus or other payment hereunder, said land shall be deemed to contain **0.515** acres, whether actually containing more or less, and the above recital of acreage in any tract shall be deemed to be the true acreage thereof. Lessor accepts the bonus as lump sum consideration for this lease and all rights and options hereunder.

2. Unless sooner terminated or longer kept in force under other provisions hereof, this lease shall remain in force for a term of 3 (three) years from the Effective Date hereof, hereinafter called "primary term", and as long thereafter as operations, as hereinafter defined, are conducted upon said land with no cessation for more than one-hundred eighty (180) consecutive days.

3. As royalty, Lessee covenants and agrees: (a) To deliver to the credit of Lessor, in the pipe line to which Lessee may connect its wells, the equal one-sixth (1/6<sup>th</sup>) part of all oil produced and saved by Lessee from said land, or from time to time, at the option of Lessee, to pay Lessor the average posted market price of such one-sixth (1/6<sup>th</sup>) part of such oil at the wells as of the day it is run to the pipe line or storage tanks, Lessor's interest, in either case, to bear one-sixth (1/6<sup>th</sup>) of the cost of treating oil to render it marketable pipe line oil; (b) To pay Lessor on gas and casinghead gas produced from said land (1) when sold by Lessee, one-sixth (1/6<sup>th</sup>) of the amount realized by Lessee, computed at the mouth of the well, or (2) when used by Lessee off said land or in the manufacture of gasoline or other products, the market value, at the mouth of the well, of one-sixth (1/6<sup>th</sup>) of such gas and casinghead gas; (c) To pay Lessor on all other minerals mined and marketed or utilized by Lessee from said land, one-tenth either in kind or value at the well or mine at Lessee's election, except that on sulphur mined and marketed the royalty shall be One dollar (\$1.00) per long ton. If, at the expiration of the primary term or at any time or times thereafter, there is any well on said land or on lands with which said land or any portion thereof has been pooled, capable of producing gas, and all such wells are shut-in, this lease shall, nevertheless, continue in force as though operations were being conducted on said land for so long as said wells are shut-in, and thereafter this lease may be continued in force as if no shut-in had occurred. Lessee covenants and agrees to use reasonable diligence to produce, utilize, or market the minerals capable of being produced from said wells, but in the exercise of such diligence, Lessee shall not be obligated to install or furnish facilities other than well facilities and ordinary lease facilities of flow lines, separator, and lease tank, and shall not be required to settle labor trouble or to market gas upon terms unacceptable to Lessee. If a well has been drilled and casing set into a formation which normally requires hydraulic fracturing to produce natural gas in paying quantities, but there are no pipelines then existing within a reasonable distance in Lessee's judgment from said well into which Lessee may then sell natural gas on terms acceptable to Lessee, then Lessee may delay hydraulic fracturing of the formation and during such period of delay this lease shall continue in force as though operations were being conducted on said land for so long as said well is shut-in, and such well shall be deemed to be a well capable of producing gas in paying quantities for the purposes of this shut-in well provision during the time that such well remains shut-in but not yet fraced. If, at any time or times after the expiration of the primary term, all such wells are shut-in for a period of one hundred and eighty (180) consecutive days, and during such time there are no operations on said land, then at or before the expiration of said one hundred and eighty (180) day period, Lessee shall pay or tender, by check or draft of Lessee, as royalty, a sum equal to One dollar (\$1.00) for each acre of land then covered hereby. Lessee shall make like payments or tenders at or before the end of each anniversary of the expiration of said one hundred and eighty (180) day period, if upon such anniversary this lease is being continued in force solely by reason of the provisions of this paragraph. Each such payment or tender shall be made to the parties who at the time of payment would be entitled to receive the royalties which would be paid under this lease if the wells were producing, and may be deposited in the Bank at, or its successors, which shall continue

as the depositories, regardless of changes in the ownership of shut-in royalty. If at any time that Lessee pays or tenders shut-in royalty, two or more parties are, or claim to be, entitled to receive same, Lessee may, in lieu of any other method of payment herein provided, pay or tender such shut-in royalty, in the manner above specified, either jointly to such parties or separately to each in accordance with their respective ownerships thereof, as Lessee may elect. Any payment hereunder may be made by check or draft of Lessee deposited in the mail or delivered to the party entitled to receive payment or to a depository bank provided for above on or before the last date for payment. Nothing herein shall impair Lessee's right to release as provided in paragraph 5 hereof. In the event of assignment of this lease in whole or in part, liability for payment hereunder shall rest exclusively on the then owner or owners of this lease, severally as to acreage owned by each.

4. Lessee is hereby granted the right, at its option, to pool or unitize the oil and/or gas in all or any portions of the land, strata or horizons covered by this lease with any other land, strata or horizons covered by this lease, and/or with any other land, lease, or leases, as to any or all minerals, strata, or horizons. A unit established hereunder shall be valid and effective for all purposes of this lease even though there may be mineral, royalty, or leasehold interests in lands within the unit which are not effectively pooled or unitized, and whether or not similar pooling authority to that granted herein exists with respect to any other lands or interests with which the lands herein described are pooled. Each of said options may be exercised by Lessee at any time and from time to time while this lease is in force, and whether before or after production has been established either on said land, or on the portion of said land included in the unit, or on other land unitized therewith. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee may exercise the pooling rights provided for herein whenever Lessee, in its sole discretion, deems it necessary or proper to do so in order to prudently develop or operate the leased premises. Units may be established, or any unit formed, or reformed, under this paragraph may be revised or amended to enlarge or decrease the lands, or portions thereof, or horizons, included in such unit, based upon the following criteria: (i) a unit for an oil well (other than a horizontal drainhole well) shall not exceed 160 acres plus a maximum acreage tolerance of 10%; and (ii) a unit for a gas well, or a horizontal drainhole well whether oil or gas, shall not exceed 640 acres plus a maximum acreage tolerance of 10%; provided that larger units may be formed for an oil or gas well to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so. A horizontal drainhole well for the purposes of this provision means an oil or gas well having a wellbore some portion of which is drilled horizontally into a producing geologic interval, formation, or horizon, for a minimum of 100 feet from its penetration point to its terminus. If larger units than any of those herein permitted, either at the time established, or after enlargement, are required under any governmental rule or order, for the drilling or operation of a well at a regular location, or for obtaining maximum allowable from any well to be drilled, drilling, or already drilled, any such unit may be established or enlarged to conform to the size required by such governmental order or rule. Lessee shall exercise said option as to each desired unit by executing an instrument identifying such unit and filing it for record in the public office in which this lease is recorded. Any operations conducted on any part of such unitized land shall be considered, for all purposes, except the payment of royalty, operations conducted upon said land under this lease. There shall be allocated to the land covered by this lease within each such unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) that proportion of the total production of unitized minerals from the unit, after deducting any used in lease or unit operations, which the number of surface acres in such land (or in each such separate

tract) covered by this lease within the unit bears to the total number of surface acres in the unit, and the production so allocated shall be considered for all purposes, including payment or delivery of royalty, overriding royalty and any other payments out of production, to be the entire production of unitized minerals from the land to which allocated in the same manner as though produced therefrom under the terms of this lease. Lessee may pool one or more strata or horizons under the lands described in this lease with other strata or horizons under the lands described in this lease or under other lands or leases, or with other existing pooled units. If the ownership of the oil and gas is not uniform throughout the pooled horizons or strata in the lands comprising a pooled unit, then Lessee shall allocate the entire production from the unit between the various strata or horizons from which it is believed by Lessee that the production is being obtained, according to a formula to be determined by Lessee in good faith, and after such production is allocated between the various horizons or strata, the production obtained from the pooled horizons or strata in which the ownership is non uniform may be commingled, and the royalties, overriding royalty, and other payments out of production shall be payable only upon production allocated to the strata, horizons, and tracts as to which this lease is effective, and in the manner provided for herein. In the event of such commingling of production from the various strata or horizons, then after allocation by Lessee of the unit production to the various horizons or strata from which Lessee believes produced, there shall be allocated to the land covered by this lease within each such unit (or to each separate tract within the unit if this lease covers separate tracts within the unit) that proportion of the total production of unitized minerals from the unit allocated to each strata or horizon, after deducting any used in lease or unit operations, which the number of surface acres in such land (or in each such separate tract) covered by this lease within the unit bears to the total number of surface acres in the unit, and the production so allocated shall be considered for all purposes, including payment or delivery of royalty, overriding royalty and any other payments out of production, to be the entire production of unitized minerals from the land to which allocated in the same manner as though produced therefrom under the terms of this lease. No royalty, overriding royalty, or any other payments out of production shall be payable on any production allocated to any strata or horizons that this lease does not effectively cover or in which Lessor owns no interest. The owner of the reversionary estate of any term royalty or mineral estate agrees that the accrual of royalties pursuant to this paragraph or of shut-in royalties from a well on the unit shall satisfy any limitation of term requiring production of oil or gas. The formation of any unit hereunder which includes land not covered by this lease shall not have the effect of exchanging or transferring any interest under this lease (including, without limitation, any shut-in royalty which may become payable under this lease) between parties owning interests in land covered by this lease and parties owning interests in land not covered by this lease. Neither shall it impair the right of Lessee to release as provided in paragraph 5 hereof. In the event a unit is formed hereunder before the unit well is drilled and completed, so that the applicable pooling criteria are not yet known, the unit shall be based on the pooling criteria Lessee expects in good faith to apply upon completion of the well. Lessee shall have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either as to entire lands, or portions thereof, or as to one or more strata or horizons, and either before or after commencement of production, in order to conform to the well spacing or density pattern prescribed or permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority, or whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises. To revise a unit hereunder, Lessee shall file of record a written declaration describing the revised unit and stating the effective date of revision. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. Subject to the other provisions of this paragraph a unit once established hereunder shall remain in force so long as any lease subject thereto shall remain in force. If this lease now or hereafter covers separate tracts, no pooling or unitization of royalty interests as between any such separate tracts is intended or shall be implied or result merely from the inclusion of such separate tracts within this lease but Lessee shall nevertheless have the right to pool or unitize as provided in this paragraph with consequent allocation of production as herein provided. As used in this paragraph, the words "separate tract" mean any tract with royalty ownership differing, now or hereafter, either as to parties or amounts, from that as to any other part of the leased premises.

5. Lessee may at any time and from time to time execute and deliver to Lessor or file for record a release or releases of this lease as to any part or all of said land or of any mineral or horizon thereunder, and thereby be relieved of all obligations, as to the released acreage or interest.

6. Whenever used in this lease the word "operations" shall mean operations for and any of the following: trucking equipment to or placing equipment on location, preparation or maintenance of surface drilling location or access roads, drilling, testing, completing, reworking, recompleting, deepening, plugging back or repairing of a well in search for or in an endeavor to obtain production of oil, gas, sulphur or any other minerals, excavating a mine, production of oil, gas, sulphur or other mineral, whether or not in paying quantities. If at any time prior to the expiration of the primary term operations are conducted on said lands, but at the moment of the expiration of the primary term no physical operations are then being conducted, this lease shall nevertheless be perpetuated beyond the expiration of the primary term so long as lessee resumes physical operations within 90 days following the latest date upon which operations were last being conducted prior to the expiration of the primary term, and if such operations are resumed within such time period, it shall be deemed that operations were continuously conducted from the latest date of cessation of operations to the date of resumption of operations.

7. Lessee shall have the use, free from royalty, of water, other than from Lessor's wells, and of oil and gas produced from said land in all operations hereunder. Lessee shall have the right at any time to remove all machinery and fixtures placed on said land, including the right to draw and remove casing. Lessee shall pay for damages caused by its operations to growing crops and timber on said land.

8. The rights and estate of any party hereto may be assigned from time to time in whole or in part and as to any mineral or horizon. All of the covenants, obligations, and considerations of this lease shall extend to and be binding upon the parties hereto, their heirs, successors, assigns, and successive assigns. No change or division in the ownership of said land, royalties, or other moneys, or any part thereof, howsoever effected, shall increase the obligations or diminish the rights of Lessee, including, but not limited to, the location and drilling of wells and the measurement of production. Notwithstanding any other actual or constructive knowledge or notice thereof of or to Lessee, its successors or assigns, no change or division in the ownership of said land or of the royalties, or other moneys, or the right to receive the same, howsoever effected, shall be binding upon the then record owner of this lease until thirty (30) days after there has been furnished to such record owner at his or its principal place of business by Lessor or Lessor's heirs, successors, or assigns, notice of such change or division, supported by either originals or duly certified copies of the instruments which have been properly filed for record and which evidence such change or division, and of such court records and proceedings, transcripts, or other documents as shall be necessary in the opinion of such record owner to establish the validity of such change or division. If any such change in ownership occurs by reason of the death of the owner, Lessee may, nevertheless pay or tender such royalties, or other moneys, or part thereof, to the credit of the decedent in a depository bank provided for above.

9. In the event Lessor considers that Lessee has not complied with its obligations hereunder, both express and implied, Lessor shall notify Lessee in writing, setting out specifically in what respects Lessee has breached this contract. Lessee shall then have sixty (60) days after receipt of said notice within which to meet or commence to meet all or any part of the breaches alleged by Lessor. The service of said notice shall be precedent to the bringing of any action by Lessor on said lease for any cause, and no such action shall be brought until the lapse of sixty (60) days after service of such notice on Lessee. Neither the service of said notice nor the doing of acts by Lessee aimed to meet all or any of the alleged breaches shall be deemed an admission or presumption that Lessee has failed to perform all its obligations hereunder. If this lease is canceled for any cause, it shall nevertheless remain in force and effect as to (1) sufficient acreage around each well as to which there are operations to constitute a drilling or maximum allowable unit under applicable governmental regulations, (but in no event less than forty (40) acres), such acreage to be designated by Lessee as nearly as practicable in the form of a square centered at the well, or in such shape as then existing spacing rules require; and (2) any part of said land included in a pooled unit on which there are operations. Lessee shall also have such easements on said land as are necessary to operations on the acreage so retained.

10. Lessor hereby warrants and agrees to defend title to said land against the claims of all persons whomsoever. Lessor's rights and interests hereunder shall be charged primarily with any mortgages, taxes or other liens, or interest and other charges on said land, but Lessor agrees that Lessee shall have the right at any time to pay or reduce same for Lessor, either before or after maturity, and be subrogated to the rights of the holder thereof and to deduct amounts so paid from royalties or other payments payable or which may become payable to Lessor and/or assigns under this lease. If this lease covers a less interest in the oil, gas, sulphur, or other minerals in all or any part of said land than the entire and undivided fee simple estate (whether Lessor's interest is herein specified or not), or no interest therein, then the royalties and other moneys accruing from any part as to which this lease covers less than such full interest, shall be paid only in the proportion which the interest therein, if any, covered by this lease, bears to the whole and undivided fee simple estate therein. All royalty interest covered by this lease (whether or not owned by Lessor) shall be paid out of the royalty herein provided. This lease shall be binding upon each party who executes it without regard to whether it is executed by all those named herein as Lessor.

11. If, while this lease is in force, at, or after the expiration of the primary term hereof, it is not being continued in force by reason of the shut-in well provisions of paragraph 3 hereof, and Lessee is not conducting operations on said land by reason of (1) any law, order, rule or regulation, (whether or not subsequently determined to be invalid), (2) inability to obtain any governmental or regulatory permit or license required for commencement of drilling or continuation of operations, (3) any shortages, scarcity, or inability to obtain rigs, drilling equipment, material, or services associated with the drilling or completion of oil or gas wells, if Lessee has exercised reasonable diligence to obtain such rigs, drilling equipment, material or services but has been unable to do so upon commercially reasonable economic terms prevailing in the vicinity of the leased premises, or (4) any other cause, whether similar or dissimilar,

(except financial) beyond the reasonable control of Lessee, the primary term hereof shall be extended until the first anniversary date hereof occurring ninety (90) or more days following the removal of such delaying cause, and this lease may be extended thereafter by operations as if such delay had not occurred.

12. Option to extend primary term: Lessor hereby grants to Lessee the exclusive option to extend the primary term of this lease for an additional three (3) year term by tendering the same amount of bonus consideration that was paid to Lessor for the original execution of this lease, on or before the expiration of the initial primary term hereof, and if such tender of payment is made, the primary term hereof shall be extended for an additional period of three (3) years, with the same effect as if the original primary term had been for six (6) years, instead of three (3) years. The rights of Lessee under this option shall be binding upon Lessor, and Lessor's heirs, personal representatives, successors and assigns. The rights of any subsequent purchasers, creditors, mortgagees, lienholders, or any other parties hereafter acquiring an interest in the lands covered by this lease acquired by, through, or under Lessor, shall be expressly subordinate, subject to, and inferior to Lessee's rights under this lease, including Lessee's rights under this lease as may be extended pursuant to Lessee's option herein provided for, and if extended pursuant to such option, this lease shall be construed as running continuously and without interruption for an initial primary term of six (6) years from its original effective date. Lessee may exercise its option to extend the primary term as herein provided by mailing its check, payable to the order of Lessor, at the Lessor's address shown on this lease, and upon Lessee's tender of payment made or attempted to be made in such manner, this option shall be deemed exercised and the primary term shall be deemed extended. If payment tendered by Lessee in such manner is returned unclaimed by Lessor, the payment shall nevertheless be deemed as having been made and the option exercised, and Lessee shall then hold the unclaimed funds in escrow pending the furnishing to Lessee of evidence sufficient in the opinion of Lessee's counsel to authorize release of the payment to those parties claiming by, through or under Lessor who are entitled to the payment; and in the event of a conflict among two or more parties as to who is entitled to payment, Lessee may interplead the payment into a court of proper jurisdiction for the determination of the proper distribution of such payment, and in such latter event Lessee shall be entitled to deduct from such payment its attorney fees and court costs in connection with such interpleader action. In the event of Lessee's exercise of the foregoing option, Lessor agrees to execute, have acknowledged by a notary public, and deliver to Lessee an instrument prepared by Lessee for Lessor's signature, for the purpose of evidencing the extension of the primary term of this lease in the deed records of the County where the premises is located.

13. Shut-in Royalty is covenant, not condition: If a well capable of producing gas is shut-in by Lessee as is permitted in paragraph 3. of this lease, it is agreed that Lessee's obligation to make shut-in royalty payments shall be a mere covenant, rather than a condition or limitation, so that a failure to timely make any shut-in royalty payment when due by Lessee, or a failure to make any shut-in royalty payment in the proper amount, due to inadvertence or mistake by Lessee, shall not work a forfeiture or penalize Lessee, and shall not constitute a limitation, condition, or defeasance effecting an automatic termination of this lease, and if Lessee fails to timely make a shut-in royalty payment when due, or fails to make a shut-in royalty payment in the proper amount, then Lessor shall notify Lessee in writing at the address shown for Lessee in this lease, of such failure to make timely payment or failure to pay in the proper amount, and to cure Lessee's breach thereof, Lessee shall pay to the parties entitled to such delinquent or improperly paid shut-in royalty payment, double the amount of the shut-in royalty amount that would have been due if such payment had not been delinquent or improperly paid in amount, and upon tender of such payment made by Lessee, such shut-in royalty payment shall be deemed to have been timely made and deemed properly paid in amount and this lease shall continue in full force and effect as if the delinquent or improperly paid shut-in royalty payment had been timely made and paid in the proper amount.

14. In the event Lessee deems it necessary or advisable to locate and drill from a surface location outside of the lands covered by this lease or outside of a pooled unit with which this lease may be pooled (herein referred to as an offsite location), then it is agreed and understood that any operations conducted at an offsite location (provided that such operations are directly associated with a directionally drilled horizontal or slanted hole for the purposes of drilling, reworking, producing or other operations underneath the lands covered by this lease or lands pooled therewith), shall for purposes of this lease be deemed operations conducted on the lands covered by this lease, and operations commenced and conducted on any such offsite location for the aforesaid purposes shall satisfy the habendum clause of this lease, even if the directionally drilled wellbore has not yet reached the subsurface of the lands covered by this lease or the lands included in any pooled unit with which this lease has been pooled by the end of the primary term or any other time limit within which operations would otherwise be required in order to perpetuate this lease. If any drilling ordinance requires a waiver or consent by the owners of any residence, place of business or other building structure within any minimum specified distance to any of Lessee's proposed drilling operations in order for Lessee to be allowed to conduct its operations under any such ordinance, Lessor hereby waives any such drilling ordinance insofar as it would require any minimum distancing from any residence, place of business, or other building structure, and Lessor's execution of this lease shall be deemed to serve as such waiver and consent, and Lessor further agrees to execute any other form of waiver or consent that may be specifically required under any such ordinance for the purpose of carrying out the intent hereof.

15. In the event that Lessor, during the primary term of this lease or any extended primary term, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease or within any time thereafter, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and condition of the offer. Lessee, for a period of thirty days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer. The rights of Lessee hereunder shall be deemed a covenant running with the land covered by this lease, which shall be binding upon the heirs, successors and assigns of Lessor and binding upon the land covered hereby, and inure to the benefit of Lessee, its successors and assigns, and all third parties dealing with said land shall take subject to Lessee's rights hereunder, and any subsequent lease executed by Lessor in violation of Lessee's rights under this provision shall be deemed void ab initio.

IN WITNESS WHEREOF, this instrument is executed on the date first above written.

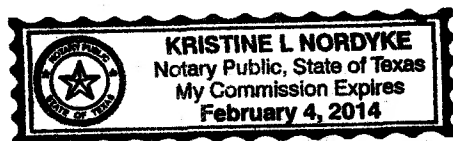
Pioneer Oil Company, LTD, by  
its general partner, Pioneer GP, LLC

by: Barbara McDaniel  
Barbara McDaniel, President

STATE OF TEXAS

COUNTY OF TARRANT

This instrument was acknowledged before me this 16<sup>th</sup> day of December, 2010, by Barbara McDaniel, acting in her capacity as President of Pioneer GP, LLC, in its capacity as general partner of Pioneer Oil Company, LTD, a Texas limited partnership, on behalf of said limited partnership.



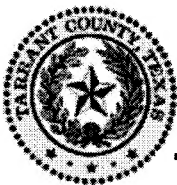
Kristine L. Nordyke  
Notary Public, State of Texas

After Recording Return To:  
Spindletop Oil & Gas Co.  
One Spindletop Centre  
12850 Spurling Road, Suite 200  
Dallas, TX 75230-1279

Attn: Land Department

MARY LOUISE GARCIA

COUNTY CLERK



100 West Weatherford Fort Worth, TX 76196-0401

PHONE (817) 884-1195

SPINDLETOP OIL AND GAS CO  
ONE SPINDLETOP CENTER  
12850 SPURLING RD STE 200  
DALLAS, TX 75230

Submitter: SPINDLETOP OIL AND GAS CO

**DO NOT DESTROY**  
**WARNING - THIS IS PART OF THE OFFICIAL RECORD.**

Filed For Registration: 1/18/2011 11:13 AM

Instrument #: D211013504

LSE

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PGS

\$24.00

By: \_\_\_\_\_

*Mary Louise Garcia*

D211013504

ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY  
BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

Prepared by: CAMADDOCK